LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6132 NOTE PREPARED: Jan 12, 2012 **BILL NUMBER:** SB 61 **BILL AMENDED:** Jan 12, 2012

SUBJECT: Sale of Alcohol on State Owned Land.

FIRST AUTHOR: Sen. Tallian

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a lease and contract concerning the lease of state owned land under the control and management of the Department of Natural Resources may permit the retail sale of alcoholic beverages for consumption on the licensed premises of a lessee or concessionaire if the lessee or concessionaire applies for and secures the necessary alcohol permits.

Effective Date: July 1, 2012.

Explanation of State Expenditures:

Explanation of State Revenues: This bill would permit the Department of Natural Resources (DNR) to allow the sale and consumption of alcoholic beverages on the licensed premises of a concessionaire or lessee. The bill would affect state owned properties. DNR receives a percentage of the gross revenue based on the total collected according to the terms of the individual leases or contracts. Currently, DNR receives between 3% to 5% of gross revenue depending on the individual lease or contract. Any increase in revenue from a leased property would increase DNR collections accordingly.

Permit Fee Revenue: This bill could increase permit fee revenue. The annual fee for a retailer permit is \$500. The fees are initially deposited in the Excise Fund and then redistributed 37% to the state General Fund; 33% to the general funds of cities, towns, and counties based on population; and 30% to the Enforcement and Administration Fund.

Explanation of Local Expenditures:

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Explanation of Local Revenues: See *Explanation of State Revenue* above.

State Agencies Affected: Alcoholic Beverage Commission, Department of Natural Resources.

Local Agencies Affected:

Information Sources: DNR

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